



BOSTON'S DYNAMIC WORKFORCE

Attract

Attain

Absorb

The City of Boston's
20-34 Year Old Initiative

Boston's Dynamic Workforce

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Boston is bursting with vitality, popping with action, and packed with potential. A lot is happening here, and there is the promise of a whole lot more – which is why so many young people choose to make Boston their home. Boston has largely resisted the national trend of an aging population, essentially maintaining its significant young adult population segment. A top tier city in this regard, Boston is home to 194,846 people between the ages of 20 and 34. 69% of these young people – some 134,000 individuals – work in a variety of economic sectors with 2/3 working in Boston and 1/3 working in the larger metropolitan area. These young adults influence the city profoundly, and it is important that we reach out to them in order to serve their needs better, to address their concerns more effectively, and to deepen their connection with Boston. We have them here. We want to make sure we keep them here.

At the behest of Mayor Thomas M. Menino, the Boston Redevelopment Authority launched ***A Better Boston For You***, an initiative focused on the 33% of Boston's population that is between the ages of 20 and 34. Boston is fortunate to have such a significant number of young adults, who serve as the growth tip of the region's economy. These are the people who will ensure Boston's continued vitality, who will start new businesses – from bakeries to biotech labs. They will fill jobs in new industries – witness the industry-leading program of the International Brotherhood of Electrical Workers, providing union members with specialized training in the installation of solar energy technology. They will direct new films – at present, Boston hosts fourteen film festivals each year, from the Roxbury Film Fest to the Boston Independent Film Fest. They will be the mechanics with the skills to fix increasingly complicated automobile engines. They will think through new theorems, map new molecules, develop new drugs. They will staff our hotels – the first faces Boston's visitors find. It is they – these high potential young people who live and work in every neighborhood of the city – who will ensure that Boston continues to attract and retain a range of employers.

In addition to being the workforce of tomorrow, the members of this age group stand very much among the consumers of today, and as such they greatly impact the local economy. In 2001, Boston's young adults had total expenditures exceeding \$3.4 billion – with \$1.3 billion spent on housing, \$382 million on entertainment and food away from home, and \$173 million on apparel and services.

While the data demonstrates that Boston has clear appeal to the young adult population and that these young people are critical to Boston's economic robustness, the city is seeking to do even more to ensure that larger demographic, social, and economic trends do not erode our strengths in this area. Young adults are a very mobile group. They will go where opportunity and quality of life intersect. ***A Better Boston For You*** aims to identify ways to expand Boston's already significant presence at that very nexus.

BRA staff initiated ***A Better Boston For You*** by studying statistical data to quantitatively assess Boston's young adult population. Who are these young people? Were they born locally or did they relocate here? What is the group's ethnic composition? Educational composition? In terms of employment, how do they fan out across the sectors of the economy? How many are homeowners? How does Boston's young adult population compare with the same demographic in other cities?

To build on the statistical research contained in this report, ***A Better Boston For You*** is preparing to embark on a second stage of research: the qualitative study. BRA staff has been conducting outreach to the city's young adults, inviting them to participate in focus group discussions. These focus group discussions will build an understanding of this group that is more substantive and more nuanced than the simple data can provide.

With the completion of the initiative's quantitative study phase and the release of this initial report, we invite you to join us in recognizing the importance of the age group. Following the focus group portion of the study, ***A Better Boston For You*** will publish a more comprehensive analysis of this group along with a set of recommendations for how the City can better connect with the group's members. Going forward, it is critical that we as a city continue to attract and retain this demographic. They enrich our city as our city enriches them.

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I. BOSTON, A CITY CENTERED AROUND YOUNG ADULTS

Boston is fortunate to be a city whose population is centered around young adults.

Largest Age-Group:

Figure 1 illustrates the various age groups that make up Boston's population.

Figure 1. Boston's age-groups in 2000

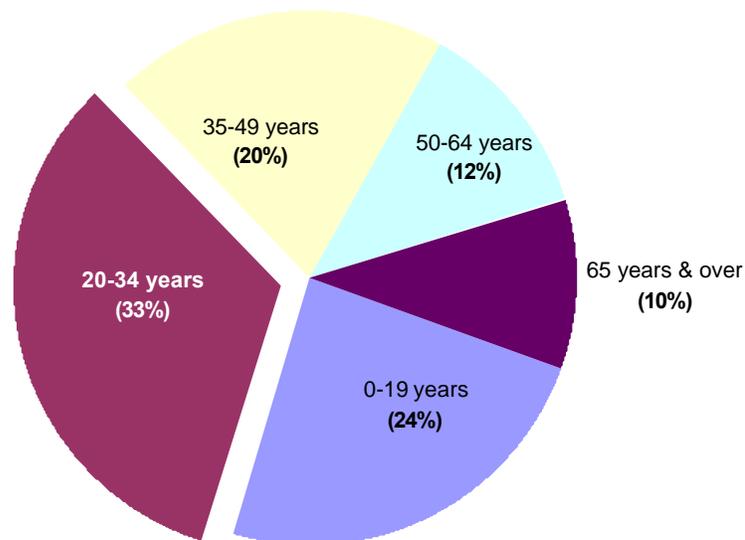


Figure 1 shows that:

- members of the 20-34 age group made up 1 out of every 3 Boston residents in the year 2000--the largest percentage of any age group in the city.

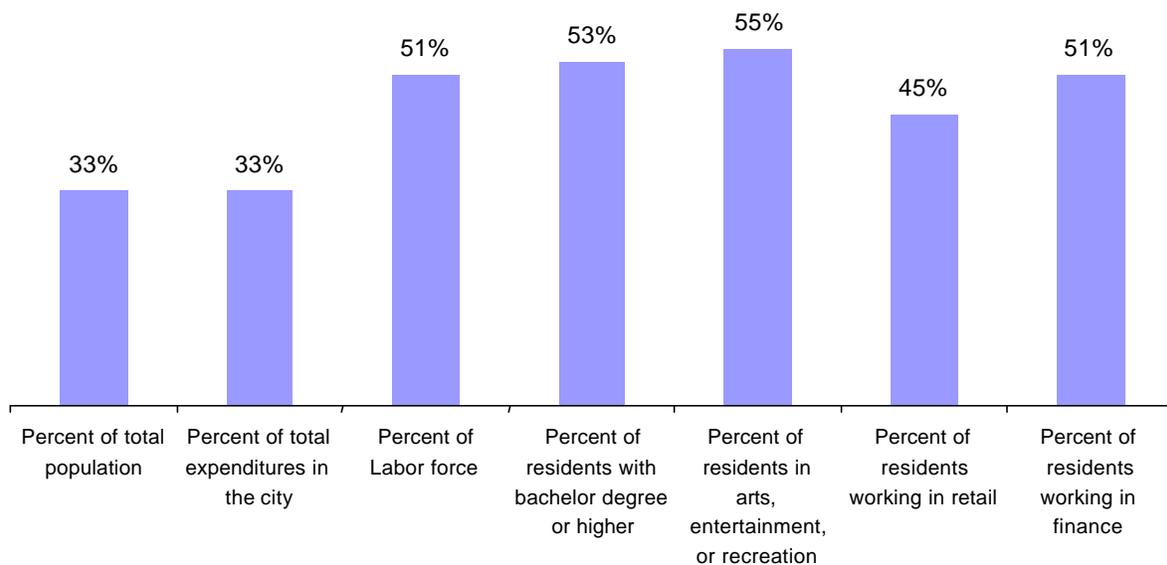
Workers for the Industries of the Future: From Retail to Finance, Insurance and Real Estate (F.I.R.E.), Boston relies heavily on this age group to constantly supply Boston's labor markets with the latest crop of workers with the newest talents and skills. According to U.S. Census 2000 data, Boston's 20-34-year-olds made up **45%** of all Bostonians working in Retail, and more than half (**51%**) of those working in the F.I.R.E. sector. This constant source of new entrant workers for Boston's industries gives the City the ability to maintain a sustainable growth, while reinforcing its competitive edge in the national and international arenas. Boston's success is partially due to the great concentration of colleges and universities in the City (36 of them within the City limits.) The influence of educational institutions and young adults is evident, given that **53%** of Boston residents with a Bachelor's degree or higher are between the ages of 20 and 34-years old.

Engine of the Local Economy: On the demand side, Boston's 20-34-year-olds play a critical role in the local economy as well. Households headed by young adults in Boston received one-third of the city's total household income in 2000. The 23,666 households headed by a person younger than 25 had a mean income of \$31,031, for a total of *\$0.73 billion*. The 61,111 households headed by a person between the ages of 25 and 34-years old had a mean income of \$61,137, for a total of *\$3.74 billion*. Combined, this *\$4.47 billion* was 33% of the total *\$13.4 billion* income for all households in the city. This age group's share of the City's income translates into significant purchasing power that contributes to Boston's economic vitality. In 1999, the total expenditures of Boston's young adults exceeded \$3.4 billion—about **33%** of City residents' total expenditures. \$382 million (11.1%) of these total expenditures by young adults were spent in food away from home (i.e. restaurants, cafés, etc.) and entertainment. This group also spent \$1.309 billion (38.2%) in housing and \$173 million (5%) in apparel & services. Of the \$3.4 billion total expenditures by this group, \$2.68 billion (78.2%) were spent by individuals between the ages of 25 and 34-years old.

Social & Cultural: The contributions of the 20-34-year-old age group in the social and cultural arenas are evident in all areas of the arts and entertainment economy. Young adults' contributions to the social and cultural fields in Boston are reflected in their participation in the Arts, Entertainment and Recreation sector. In 2000, **55%** of all Boston residents employed in this sector were 20-34-years old. The socioeconomic and cultural diversity of young adults in the City contributes immensely to making Boston a vibrant, diverse and interesting city. The annual influx of college students from different backgrounds, as well as a great diversity of local members of this age group, enable Boston to continue as one of the most enjoyable and exciting cities in the United States.

Figure 2 illustrates the importance of the 20-34-year-olds to the city.

Figure 2. 20-34-year-olds are an important part of the city's economy, culture, population



Source: Expenditure data is from the Consumer Expenditure Survey, Bureau of Labor Statistics, 1999

II. RECENT TRENDS IN BOSTON'S YOUNG ADULT POPULATION

Boston's age distribution has changed considerably throughout the last four decades, reflecting the changing face of the City, as well as other regional and national patterns. Needless to say, these changes in the City's age distribution affect every aspect of Boston, from its economic structure to its social and cultural fabric. Today, Boston continues to be a vibrant and exciting city thanks, in part, to the influx of young adults who have chosen to live, work or study in the City.

Figure 3 illustrates recent trends in Boston's population by age-groups.

Figure 3. Recent history of Boston's population

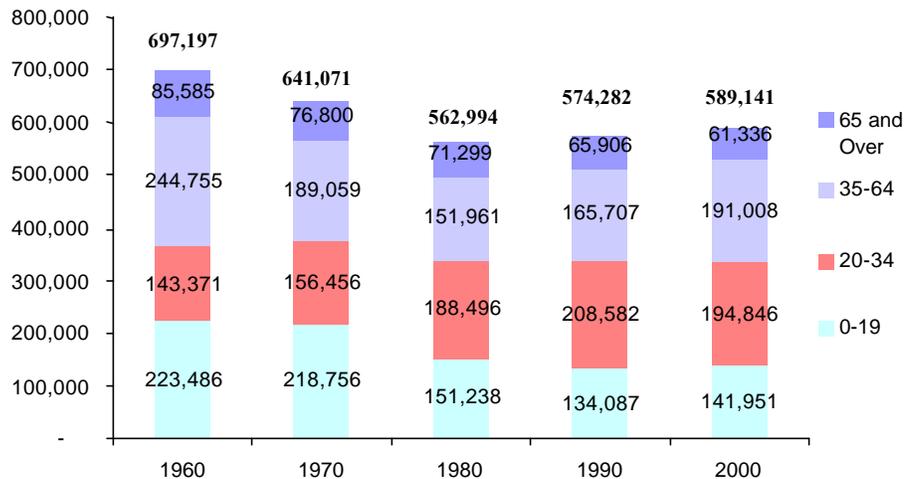


Figure 3 shows:

- Boston's total population decreased from 1960 to 1980 (from 697,197 to 562,994). It then steadily increased to 589,141 by 2000.
- Since 1980, there has been a remarkable overall stability among all population groups in the city, with no group increasing or decreasing their share by more than 4 percentage points.
- The decade between 1970 and 1980 was a turning point for Boston in terms of age distribution. In the 1970's, the number of 20-34-year-olds increased by over 32,000, making this age group the largest in the City. This continues to be so today.
- Since 1960, the percentage of the City's total population between 20-34-years of age has increased dramatically: in 1960 20-34 year-olds made up only 21% of the entire City's population. In 1970, the percentage increased to 24%; in 1980, to 33%; in 1990, to 36%; and in 2000, 33% of Boston's total population fell into this age group.
- Since 1980, the only group that has continued to increase in each of the following two decades has been the 35-64-year-old age group, suggesting that Boston has been retaining members of the 20-34-year-old age group, as they have aged, over the past 20 years.
- Between 1990 and 2000, Boston experienced the first increase in the number of 0-19-year-olds since 1960. The increase of nearly 8,000 new members of the 0-19-year-old age group suggests the possibility of a future increase in the number of 20-34-year-olds by 2010.

Figure 4 provides a closer look of the total number 20-34-year-olds in Boston since 1960.

Figure 4. Boston's 20-34-year-old population, 1960-2000

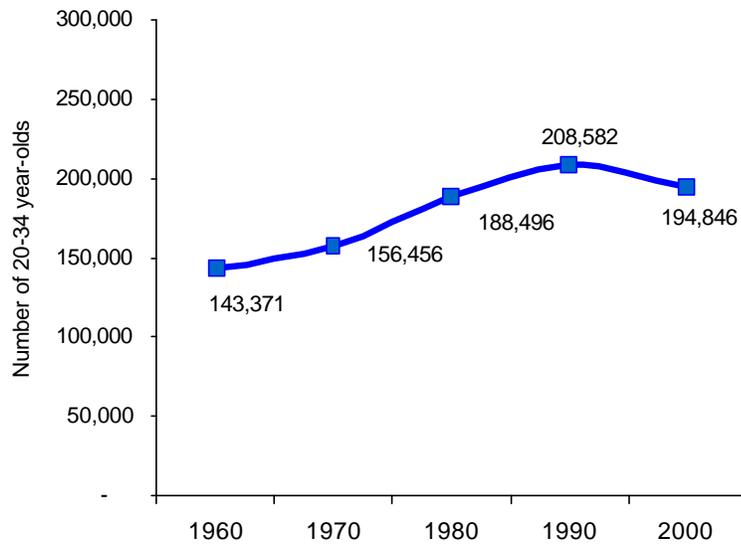


Figure 4 shows the number of 20-34-year-olds in the City:

- Increased by 51,475, or 35.9%, from 1960 to 2000, as members of the Baby Boom population came to live and learn in Boston lull.
- Increased by 32,040, or 20.5%, between 1970 and 1980, when the most dramatic rate of change took place.
- Increased somewhat more slowly, by 10.7% between 1980 and 1990.
- Decreased between 1990 and 2000 by 13,736, or 6.6%, mainly due to the lull between the Baby Boom generation and the Baby Boom Echo generation.
- Reached its peak in 1990, when the number of 20-34-year-olds surpassed the 200,000 mark.

For a fuller and more accurate picture, however, the changes in the city's population must be viewed in the context of the aging of the overall U.S. population, and that of the state and larger Metropolitan Ring that surrounds Boston.

Figure 5 illustrates the share of the 20-34 year-old population in Boston, the Metropolitan Ring, the state of Massachusetts and the United States between 1980 and 2000.

Figure 5. 20-34-year-olds' share of total population

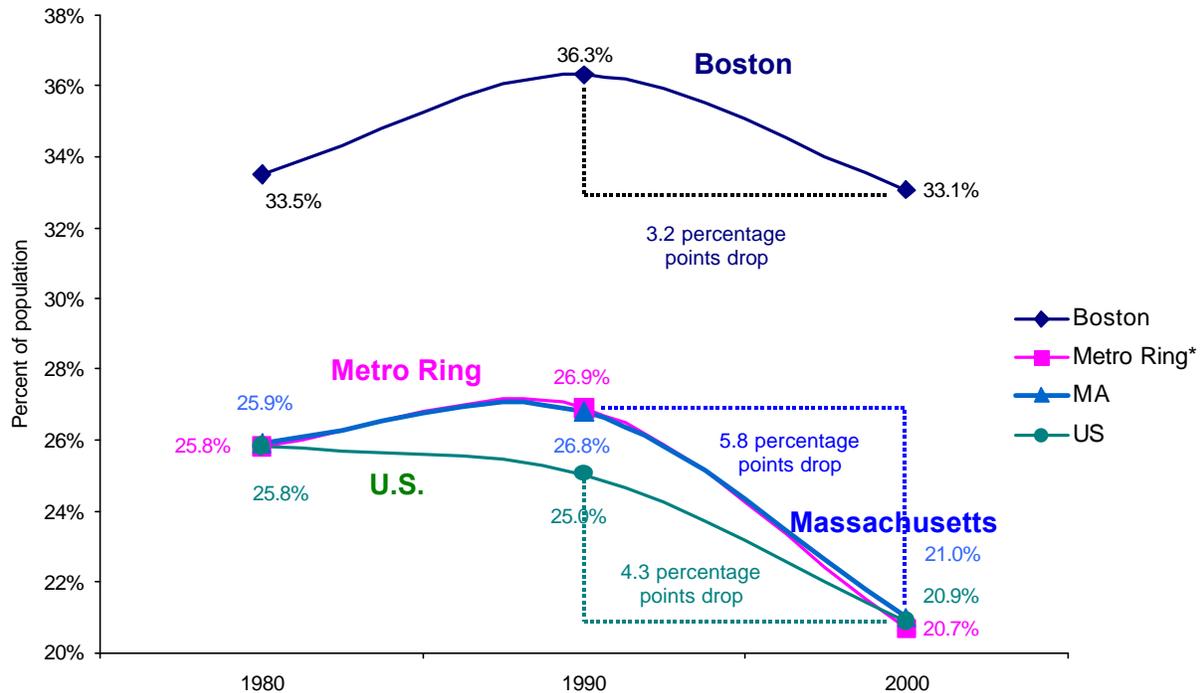


Figure 5 shows that:

- After increasing until 1990, the percentage of 20-34-year-olds in Boston decreased by 3.2 percentage points in 2000.
- After increasing until 1990, the percentage of 20-34-year-olds in the Metro Ring decreased by 6.2 percentage points in 2000.
- After increasing until 1990, the percentage of 20-34-year-olds in the state of Massachusetts decreased by 5.8 percentage points in 2000.
- Between 1990 and 2000, the percentage of 20-34-year-olds in the United States decreased by 4.3 percentage points.
- 20-34-year olds continue to make up a remarkably high percentage of Boston's population despite the aging of the Boston metropolitan region, the Massachusetts and the United States populations.
- Boston's loss in the 20-34-year-olds share of the total population between 1990 and 2000 was 3.2 percentage points, smaller than those of the Metro Ring, the state, and the nation.

This suggests the presence of a national and regional trend that has not affected the City of Boston, as much as it has affected its neighbors.

Table 1 provides the total population figures for Boston, the Metropolitan Ring, Massachusetts, and the United States.

Table 1. Young adults and total population (Boston, Metro Ring, Massachusetts and United States)

	Total Population			20-34 year old population			% of total population		
	1980	1990	2000	1980	1990	2000	1980	1990	2000
Boston	562,994	574,283	589,141	188,496	208,577	194,846	33.5%	36.3%	33.1%
Metro Ring*	2,200,363	2,348,651	2,477,253	567,980	631,905	512,603	25.8%	26.9%	20.7%
MA	5,737,037	6,016,425	6,349,097	1,488,472	1,615,000	1,331,067	25.9%	26.8%	21.0%
US	226,545,805	248,709,873	281,421,906	58,400,543	62,196,244	58,855,725	25.8%	25.0%	20.9%

Source: US Census

* Metro Ring is the remaining portion of the MAPC-defined Boston metro area, minus the city

Table 1 shows that:

- In 1980, Boston accounted for 12.7% of the state’s 20-34-year-old population.
- In 1990, Boston accounted for 12.9% of the state’s 20-34-year-old population.
- In 2000, Boston accounted for 14.6% of Massachusetts’s residents who were between the ages of 20 and 34-years old.

Figure 6. Boston’s share of Massachusetts total and 20-34-year-old populations

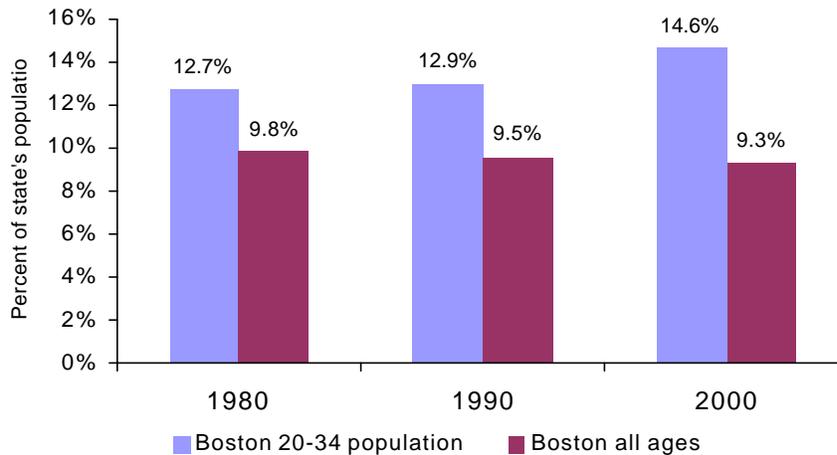


Figure 6 suggests that:

- Boston’s share of the state’s young adult population has increased from 12.7% to 14.6% in the last two decades.
- Young adults in Massachusetts are increasingly finding Boston the most attractive place to live in the state.

III. BOSTON AND OTHER CITIES' YOUNG ADULTS

Boston continues to be one of the top cities in the country in terms of retaining and attracting the 20-34-year-old segment of the population.

Table 2 illustrates the total population and young adult population of the 25 largest cities in the United States.

Table 2. 20-34-year-old population is 25 largest cities

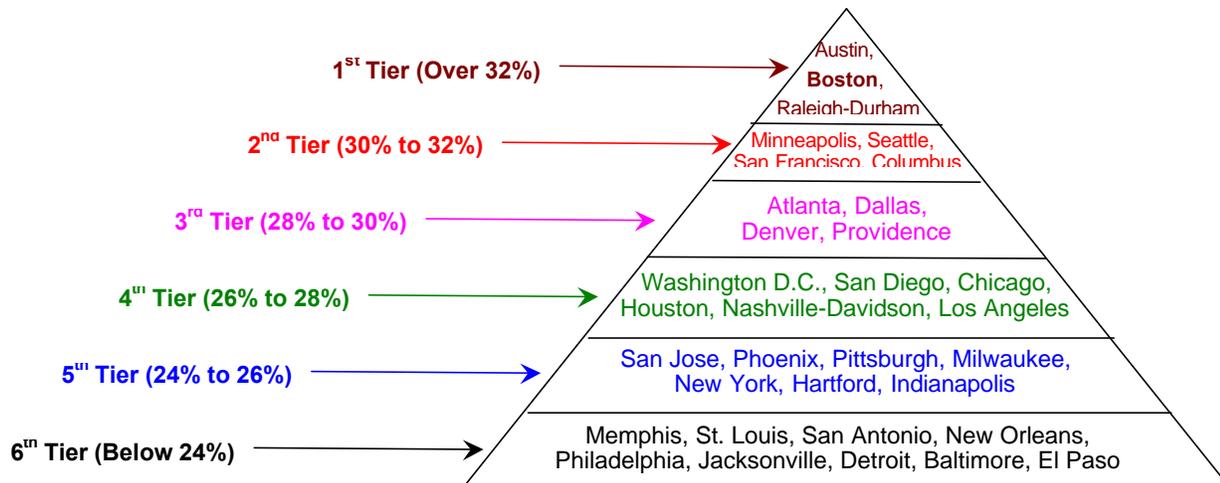
Populati on Rank	City	Total Population		20-34 year-old		% of total population	
		1990	2000	1990	2000	1990	2000
16	Austin	465,622	656,562	166,819	221,588	36%	34%
20	Boston	574,283	589,141	208,577	194,846	36%	33%
24	Seattle	516,259	563,374	160,462	173,296	31%	31%
13	San Francisco	723,959	776,733	217,637	236,472	30%	30%
15	Columbus, OH	632,910	711,470	215,616	214,372	34%	30%
8	Dallas	1,006,877	1,188,580	316,351	342,014	31%	29%
25	Denver	467,610	554,636	130,175	159,210	28%	29%
21	Washington, D.C.	606,900	572,059	180,983	153,585	30%	27%
7	San Diego	1,110,549	1,223,400	354,108	327,646	32%	27%
3	Chicago	2,783,726	2,896,016	771,788	772,451	28%	27%
4	Houston	1,630,553	1,953,631	483,056	516,198	30%	26%
22	Nashville- Davidson, TN	488,374	545,524	142,493	143,852	29%	26%
2	Los Angeles	3,485,398	3,694,820	1,065,250	974,004	31%	26%
11	San Jose, CA	782,248	894,943	234,735	225,363	30%	25%
6	Phoenix	983,403	1,321,045	269,012	331,354	27%	25%
19	Milwaukee, WI	628,088	596,974	174,839	146,265	28%	25%
1	New York	7,322,564	8,008,278	1,945,991	1,957,852	27%	24%
12	Indianapolis, IN	731,327	781,870	204,564	187,774	28%	24%
18	Memphis, Tenn.	610,337	650,100	159,374	153,249	26%	24%
9	San Antonio	935,933	1,144,646	246,860	265,526	26%	23%
5	Philadelphia	1,585,577	1,517,550	412,869	342,473	26%	23%
14	Jacksonville, Fla.	635,230	735,617	176,883	165,196	28%	22%
10	Detroit	1,027,974	951,270	249,811	209,977	24%	22%
17	Baltimore	736,014	651,154	198,227	142,535	27%	22%
23	El Paso, Tx.	515,342	563,662	129,209	119,132	25%	21%
	United States	248,709,873	281,421,906	62,196,244	58,855,725	25 %	21%

Table 2 shows:

- Boston has the 2nd highest percentage of its population formed by the 20-34 age group of any major city in the country.
- Boston is one of only five major cities where the 20-34 age group makes up more than 30% of its population.
- 20-34-year-olds' share of the total population declined in all of the largest 25 U.S. cities, with three exceptions: Seattle (no change), San Francisco (no change) and Denver, Colorado (28% in 1990 to 29% in 2000).

Figure 7 illustrates how major cities in the United States compare with Boston in regard to the proportion of their populations comprised by young adults.

Figure 7. Young adults' share of total population for 25 largest and other selected US cities



Additional research provides a fuller explanation for some of the population changes between 1990 and 2000 in other major cities that, like Boston, have a high concentration of 20-34 year-olds.

- Due to the aging of the overall U.S. population, there were fewer young adults to go around; but America's largest cities - including Boston - attracted and retained a greater portion of them than they had a decade earlier. Despite the 1.6% decline in their number of young adults, the largest 25 U.S. cities, together, accounted for 15% of the nation's 20-34 year-old population in 2000- up from 14% in 1990.
- while Austin, Texas, increased its 20-34 population by 32.8%, it did so by annexing an additional 30 square miles and increasing its total population by 41%; even so, the 20-34 age-group share of Austin's total population decreased from 35.8% to 33.7%.
- Seattle and San Francisco maintained their young adult shares at 31% and 30% respectively, but these cities also grew their overall populations by 9.1% and 7.3% and expanded their housing stock by 8.6% and 5.5%. (Boston's population, on the other hand, grew by just 2.6%.)
- Columbus, Ohio, grew its total population by 12.4% and housing supply by 17.7%, but saw its number of 20-34 year-olds fall from 34.1% to 30.1% of the city's total population.

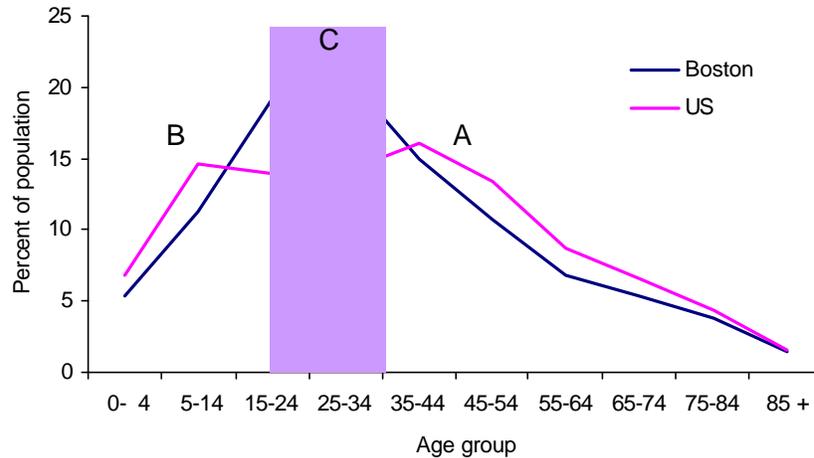
Figure 8. Boston and US age distribution, 2000


Figure 8 shows that:

- Even as the national population reflects the twin peaks of the “Baby Boom” (age 36-54 – *Point A*) and the “Baby Boom Echo” (age 5-14 – *Point B*) generations, Boston continues to maintain a single peak - made up of 20-34 year olds – *Point C*.
- Boston specializes in attracting and maintaining far more than a normal share of 20-34-year-olds, even in 2000.
- By 2010, the Echo Baby Boomers (aged 12 to 19 in the year 2000) promise more persons in the 20-34-year-old age group. Boston is likely to have an even greater number in this age range in 2010, compared with 2000.

IV. WHO ARE BOSTON'S YOUNG ADULTS?

Their Age

Figure 9. Age distribution of Boston's young adults

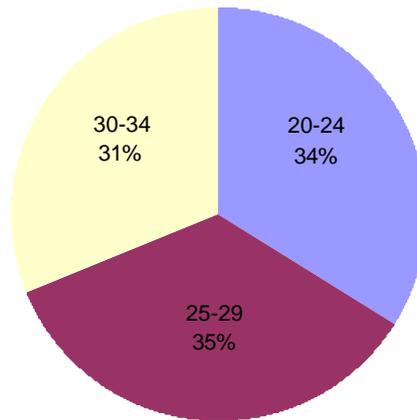


Figure 9 shows that:

- the largest segment (35%) of Boston's 20-34-year-old population is made up of 25-29-year-olds.
- the next largest segment (34%) is made up of 20-24-year-olds.
- the smallest segment (31%) is made up of 30-34-years olds.

Their Race

Figure 10. Race and ethnicity of Boston's young adults

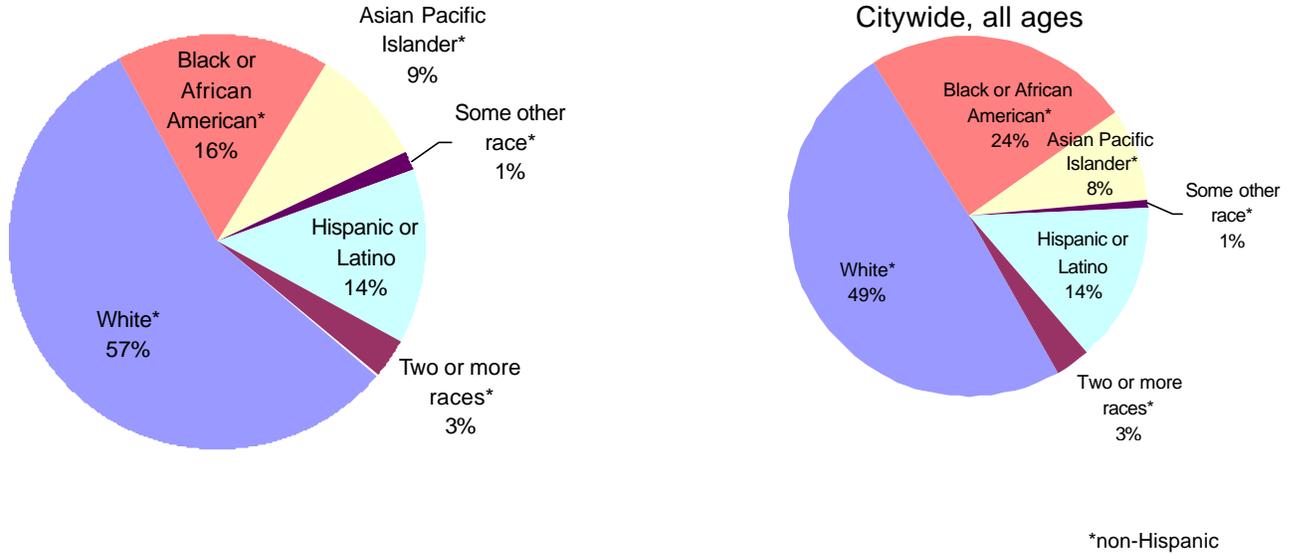


Figure 10 shows that:

- the largest segment is made up of Caucasians (57%).
- Boston was a minority-majority city, with 51% of its total population being non-White in 2000.
- the remaining segments are made up of African Americans (16.4%), Hispanics (13.7%) and Asians & Pacific Islanders (9.2%).

Where They Lived in 1995

According to a U.S. Census special studies report, *Geographical Mobility 1990 to 1995*, those between the ages of 25 and 29 had the highest mobility rates, with 75% moving during those five years. Those between the ages of 20 – 24 and those age 30 – 34 each moved 63% during that same period. These rates were much higher than the 41% overall rate for all ages.

Approximately 70% of the 20-34-year-olds in Boston were born in the United States. Of the remaining 30%, approximately 18% entered this country prior to 1994, and 12% since 1995.

Figure 11. Where Boston's young adults lived in 1995

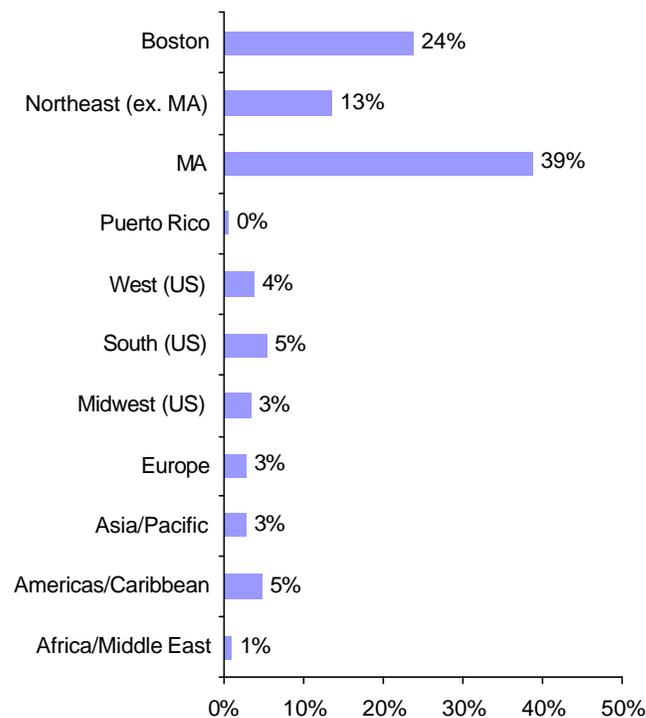


Figure 11 illustrates where Boston's 34 year-olds came from. Figure 11 shows that:

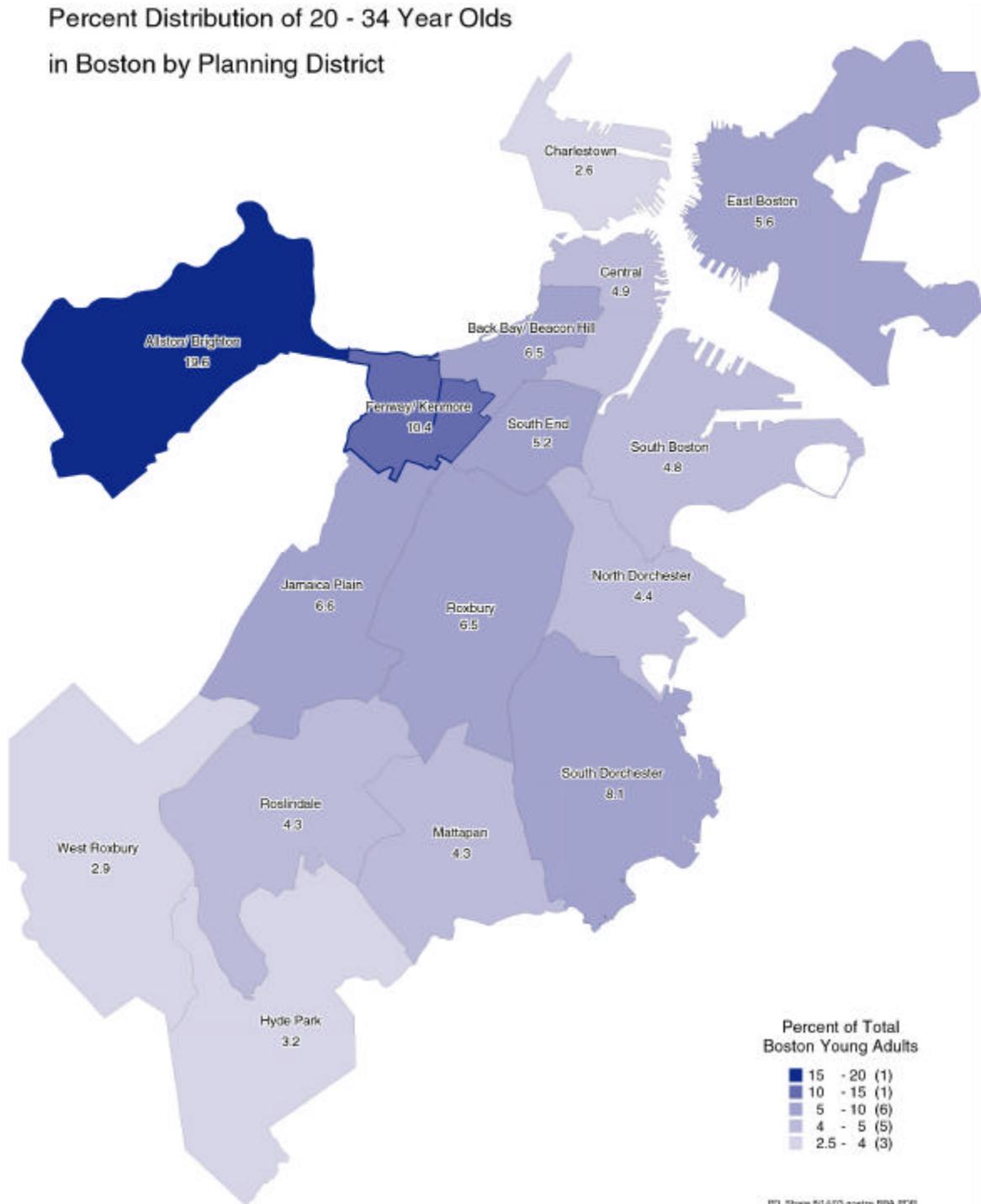
- 39% lived in Massachusetts (outside of Boston) in 1995.
- The majority 52% lived in Massachusetts or the Northeast in 1995.
- 12% lived in other parts of the U.S in 1995.
- 12% lived in other countries in 1995, including 5% moving from countries in the Americas and Caribbean.

Where They Live in Boston

Figure 12 illustrates where Boston's 20-34-year-olds live in Boston's neighborhoods.

- The neighborhoods with the highest shares of Boston's 20-34-year-olds are Allston-Brighton (19.6%), Fenway-Kenmore (10.4%), and South Dorchester (8.1%).

Figure 12. Where Boston's young adults live



Their Education

Approximately 31% of the 20-34-year-olds in Boston are currently enrolled in school.

Figure 13. School enrollment of Boston's young adults

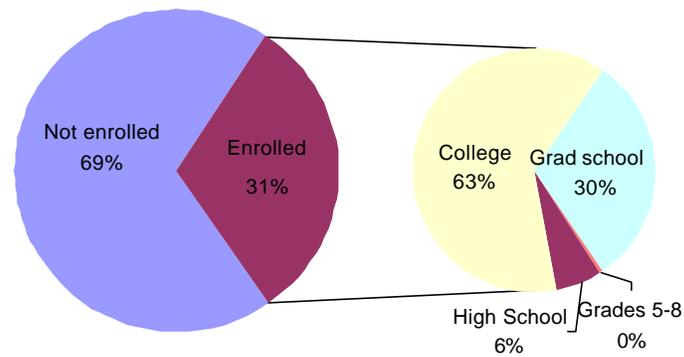


Figure 13 shows that of those enrolled in school:

- the largest segment (63%) is enrolled in college.
- the next largest segment (30%) is enrolled in graduate school.

Their Educational Attainment

Figure 14 illustrates the educational attainment level of Boston's 20-34-year-old population and the fact that this group is somewhat more highly educated than Boston's total population.

Figure 14. Educational attainment of Boston's young adults

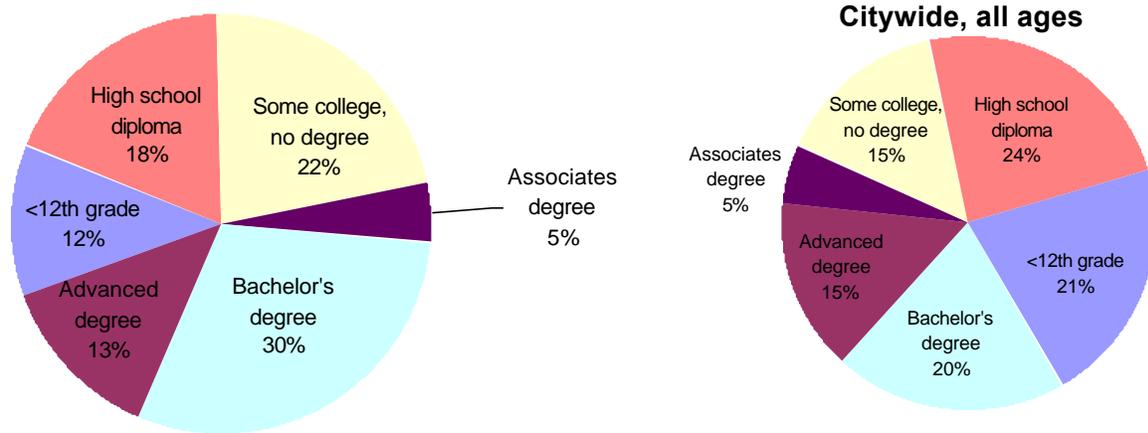


Figure 14 shows that:

- the largest segment (43%) reports having a bachelor's degree or higher (compared to 35% for the city's total population).
- 70% report having some college education (compared to 55% for the city's total population).

Where They Work

An estimated 69% of Boston's 20-34-year-olds are employed, with two-thirds working 35 hours or more per week.

Figure 15. Where Boston's young adults work

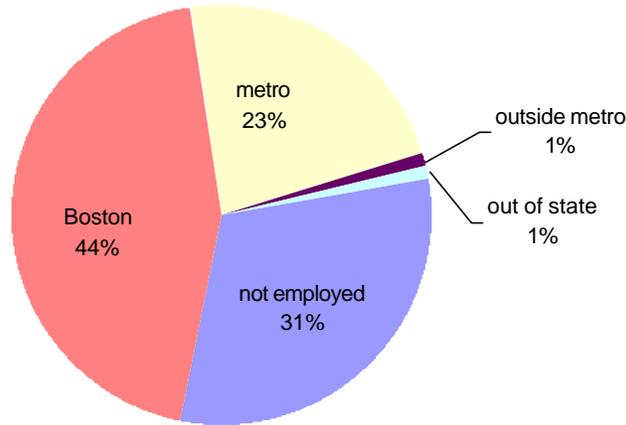


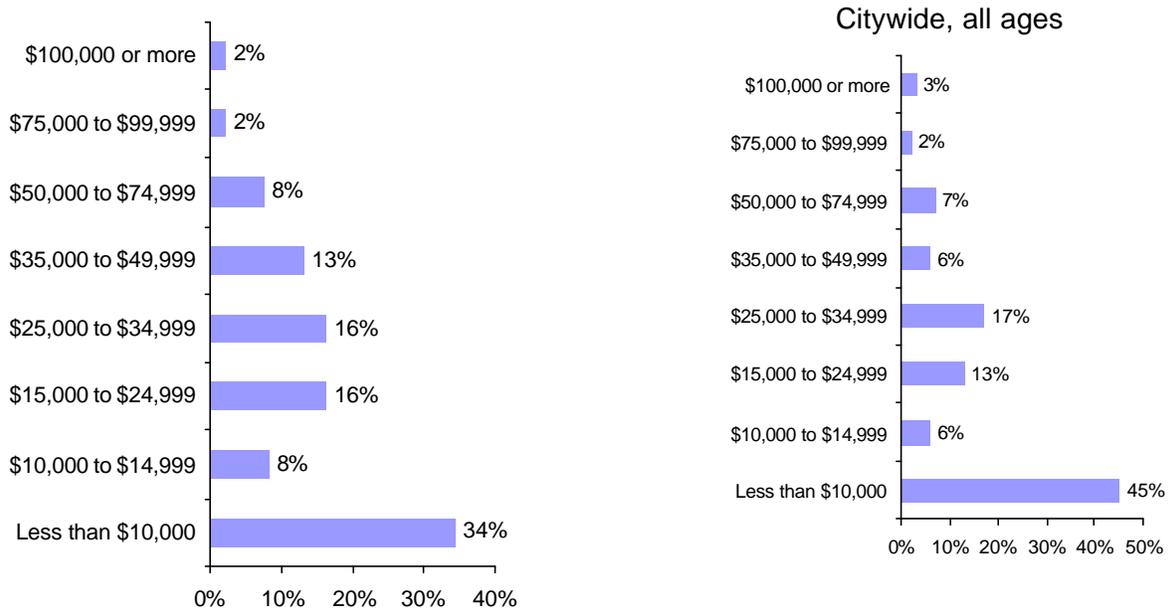
Figure 15 illustrates where Boston's 20-34-year-olds work. Figure 15 shows that:

- 44% of Boston's young adults work in the City of Boston- that is 64% of all members of this age group employed.
- another 23% (or 33% of those employed) work outside Boston but within the metropolitan area.

What They Earn

Figure 16 illustrates the earning distribution of Boston's 20-34-year-old population and the city's working-age population (16 years old or older).

Figure 16. What Boston's young adults earn



Note: earnings of less than \$10,000 includes those with no earnings

Figure 16 shows that:

- 83% of Boston's 20-34-year-olds had some earnings in 1999, compared to just 70% of the total population aged 16 or older.
- 25% of Boston's 20-34-year-olds had earnings of at least \$35,000, compared to a much lower 18% for the population aged 16 or older.

What They Do

Figure 17 illustrates what industries employ Boston's 20-34-year-old workers.

Figure 17. What Boston's young adults do for a living

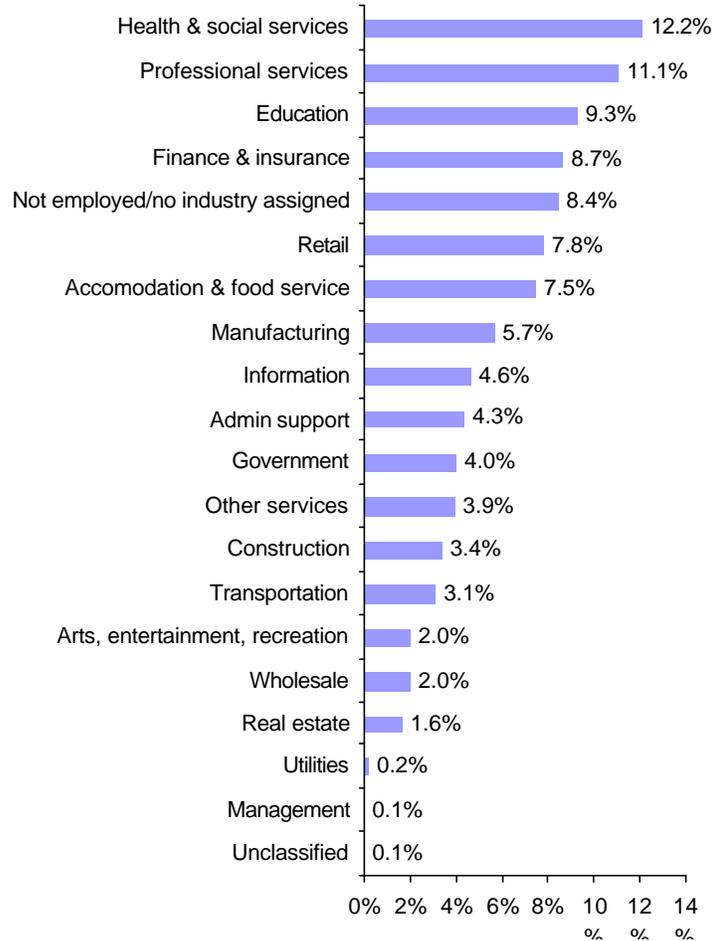


Figure 17 shows that:

- More than half of the sample in this age group reported working in knowledge-based sectors (these sectors include: health services, professional services such as law, accounting, or scientific research, education, finance, computer-related services and management services.)

CONCLUSION

As the first phase of the comprehensive study, this preliminary report provides an overview of Boston's young adults, and their demographic and economic characteristics and trends. This report will be followed by a series of focus groups and other conversations that will take place in the next few months. The results of these conversations with members of the age group will enhance this preliminary report by providing qualitative data to contrast its contents. A final report will include the findings from this preliminary report and the focus group discussions, as well as more in-depth analysis of quantitative data available (i.e. characteristics and changes by age sub-groups, city districts, race, among others.) The combined information will allow the City to learn more about its young adult population, and therefore, be able to better serve this vibrant section of Boston.

SOURCES

All the information contained in this report comes from the latest available data from the U.S. Census Bureau and the U.S. Bureau of Labor Statistics. The following is a list of the data sources used for this preliminary report and a brief description of each source:

- **Summary File 1 (SF1)** – A U.S. Census Bureau database. This file presents 100-percent population and housing figures for the total population, for 63 race categories, and for many other race and Hispanic or Latino categories. This includes age, sex, households, household relationship, housing units, and tenure (whether the residence is owned or rented). Also included are selected characteristics for a limited number of race and Hispanic or Latino categories.
- **Summary File 3 (SF3)** – This file presents data on the population and housing long form subjects such as income and education. It includes population totals for ancestry groups. It also includes selected characteristics for a limited number of race and Hispanic or Latino categories.
- **Public Use Micro Data Sample (PUMS)** – **A U.S. Census database. Computerized files containing a small sample of individual records, with identifying information removed, from the census long form and from the American Community Survey showing the population and housing characteristics of the people included on those forms. This database allows for the most flexible tabulations, despite its lower sample size.**
- **Consumer Expenditure Survey** – A Bureau of Labor Statistics Report. It details the patterns of American buyers. It includes data on their income, expenditures by type, and the characteristics of consumer units, including age.